

# 2011 Property Tax Report

## Marshall County

### with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Marshall County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

#### Comparable Homestead Property Tax Changes in Marshall County

The average homeowner saw a 3.0% tax bill increase from 2010 to 2011.

Homestead taxes in 2011 were still 25.5% lower than they were in 2007, before the property tax reforms.

93.0% of homeowners saw lower tax bills in 2011 than in 2007.

43.6% of homeowners saw tax increases of between 1% and 9% from 2010 to 2011.

The largest percentage of homeowners have seen between a 20% and 39% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	6,715	59.6%	751	6.7%
No Change	317	2.8%	36	0.3%
Lower Tax Bill	4,239	37.6%	10,484	93.0%
<b>Average Change in Tax Bill</b>	<b>3.0%</b>		<b>-25.5%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	1,134	10.1%	396	3.5%
10% to 19%	662	5.9%	120	1.1%
1% to 9%	4,919	43.6%	235	2.1%
0%	317	2.8%	36	0.3%
-1% to -9%	3,649	32.4%	744	6.6%
-10% to -19%	385	3.4%	1,534	13.6%
-20% to -29%	63	0.6%	3,043	27.0%
-30% to -39%	47	0.4%	2,753	24.4%
-40% to -49%	15	0.1%	1,137	10.1%
-50% to -59%	20	0.2%	584	5.2%
-60% to -69%	17	0.2%	202	1.8%
-70% to -79%	14	0.1%	151	1.3%
-80% to -89%	4	0.0%	115	1.0%
-90% to -99%	5	0.0%	89	0.8%
-100%	20	0.2%	132	1.2%
<b>Total</b>	<b>11,271</b>	<b>100.0%</b>	<b>11,271</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

★★★★★  
 LOSS OF STATE HOMESTEAD  
 CREDIT AND TAX RATE  
 INCREASES RAISE  
 HOMEOWNER TAX BILLS  
 ★★★★★

#### Homestead Property Taxes

Homestead property taxes increased 3.0% on average in Marshall County in 2011. This was less than the state average of 4.4%. Marshall County homestead taxes were 25.5% lower in 2011 than they were in 2007, before the big tax reform. The homestead tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.0% in Marshall County in 2010. The small increase in tax rates also contributed to homestead tax bill increases.

#### Tax Rates

Property tax rates increased in just over half of Marshall County tax districts. The average tax rate increased by 1.8%. Changes in tax rates were mixed in Marshall County because of a small levy increase coupled with a reduction in certified net assessed value. Levies in Marshall County increased by 1.0%. The biggest levy increases were in the Union-North United Schools debt service fund and the Plymouth Community Schools debt service and capital projects funds. The largest levy reduction was in the Culver general fund. Marshall County's total net assessed value grew by 0.5% in 2011. (The certified net AV used to compute tax rates declined by 0.8%.) Homestead net assessments decreased by 2.0% and agricultural net assessments grew by 0.6%. Other residential assessments showed a small decrease at 0.3%, while business net assessments increased by 3.6%.

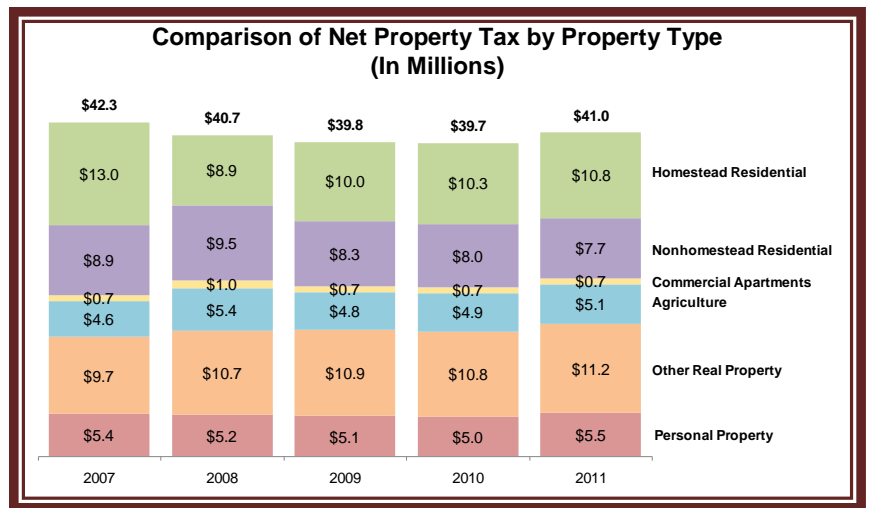
★★★★★★

**TAX INCREASES FOR BUSINESS AND  
AGRICULTURE; TAX DECREASES FOR OTHER  
RESIDENTIAL AND APARTMENTS**

★★★★★★

**Net Tax Bill Changes - All Property Types**

Net tax bills for all taxpayers rose 3.4% in Marshall County in 2011, similar to the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 2.6%. Tax bills for commercial apartments fell 3.2%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased by 5.6%. These small tax bill changes mainly reflect changes in assessments in Marshall County in 2011. Agricultural tax bills rose 4.7%. This was mainly due to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



**Tax Cap Credits**

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

★★★★★★

**TAX CAP CREDITS INCREASED  
SLIGHTLY IN 2011**

★★★★★★

Total tax cap credit losses in Marshall County were \$830,452, or 2.0% of the levy. This was less than the state average loss rate of 9.2%, and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Marshall County's tax rates were lower than the state median.

About two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. Marshall County had no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualified for credits. The largest percentage losses were in the city of Plymouth and the towns of Argos and Bourbon. The largest dollar losses were in Plymouth City, Plymouth Community School Corporation, and the county unit.

Marshall County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$181,780	\$565,315	\$7,255	\$15,238	\$769,587	1.9%
2011 Tax Cap Credits	246,250	562,442	0	21,760	830,452	2.0%
Change	\$64,470	-\$2,873	-\$7,255	\$6,522	\$60,865	0.1%

Tax cap credits rose in Marshall County in 2011 by \$60,865, or 8%. The additional credits represent an

added loss of 0.1% of the total tax levy. Most of the increase in tax cap credits was in the 1% tax cap category, which covers homesteads. The elimination of the state homestead credit caused much of the 1% tax cap credit increase.

**The Effect of Recession**

The 2009 recession had a mixed effect on Marshall County assessments for pay-2011. Homestead and apartment property values and construction activity appear to have fallen in Marshall County in 2009, but increases in business values offset this decline. The sluggish assessment growth meant that the modest levy increases produced higher tax rates in many districts. Marshall County's tax rates are low, however, so the higher rates did not increase tax cap credit revenue losses substantially.

★★★★★★

**2009 RECESSION HAD MIXED EFFECTS  
ON ASSESSMENTS FOR PAY-2011**

★★★★★★

Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,784,660,000	\$1,770,097,480	-0.8%	\$798,648,931	\$782,876,516	-2.0%
Other Residential	650,344,200	648,541,900	-0.3%	649,692,309	647,819,093	-0.3%
Ag Business/Land	389,260,400	391,750,300	0.6%	388,633,464	391,127,329	0.6%
Business Real/Personal	1,029,697,480	1,050,772,550	2.0%	758,735,536	785,755,245	3.6%
<b>Total</b>	<b>\$3,853,962,080</b>	<b>\$3,861,162,230</b>	<b>0.2%</b>	<b>\$2,595,710,240</b>	<b>\$2,607,578,183</b>	<b>0.5%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

### Marshall County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2007	2008	2009	2010	2011	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
<i>County Total</i>	55,659,896	58,358,443	37,658,040	37,604,705	37,992,162	4.8%	-35.5%	-0.1%	1.0%
State Unit	61,664	65,436	0	0	0	6.1%	-100.0%		
Marshall County	9,457,692	11,208,735	6,607,003	7,013,437	7,263,956	18.5%	-41.1%	6.2%	3.6%
Bourbon Township	90,128	92,629	94,601	97,436	97,347	2.8%	2.1%	3.0%	-0.1%
Center Township	408,037	438,353	442,650	457,449	381,733	7.4%	1.0%	3.3%	-16.6%
German Township	239,361	245,686	250,540	258,527	257,032	2.6%	2.0%	3.2%	-0.6%
Green Township	43,698	45,050	45,972	46,864	47,677	3.1%	2.0%	1.9%	1.7%
North Township	135,103	141,860	141,975	144,786	143,450	5.0%	0.1%	2.0%	-0.9%
Polk Township	145,724	198,326	191,150	193,396	141,092	36.1%	-3.6%	1.2%	-27.0%
Tippecanoe Township	62,780	64,816	65,380	67,435	68,229	3.2%	0.9%	3.1%	1.2%
Union Township	215,283	218,479	225,574	232,339	235,512	1.5%	3.2%	3.0%	1.4%
Walnut Township	64,005	65,365	67,429	69,622	69,467	2.1%	3.2%	3.3%	-0.2%
West Township	191,718	231,221	230,046	232,997	235,962	20.6%	-0.5%	1.3%	1.3%
Plymouth Civil City	4,833,104	5,088,104	5,116,308	5,297,488	5,270,378	5.3%	0.6%	3.5%	-0.5%
Argos Civil Town	512,294	548,611	615,032	602,207	623,448	7.1%	12.1%	-2.1%	3.5%
Bourbon Civil Town	603,980	595,118	613,299	632,616	645,642	-1.5%	3.1%	3.1%	2.1%
Bremen Civil Town	2,146,280	1,954,830	2,047,252	2,068,824	2,095,280	-8.9%	4.7%	1.1%	1.3%
Culver Civil Town	818,020	838,750	875,893	907,818	542,907	2.5%	4.4%	3.6%	-40.2%
Lapaz Civil Town	88,302	90,520	94,033	97,050	99,228	2.5%	3.9%	3.2%	2.2%
Culver Community School Corp	4,896,161	5,227,510	2,286,626	2,438,802	2,317,702	6.8%	-56.3%	6.7%	-5.0%
Argos Community School Corp	2,426,121	2,570,100	1,184,598	1,470,876	1,352,483	5.9%	-53.9%	24.2%	-8.0%
Bremen Public School Corp	5,751,456	6,161,704	2,979,804	2,989,751	2,869,355	7.1%	-51.6%	0.3%	-4.0%
Plymouth Community School	13,079,968	13,280,153	7,735,583	6,826,355	7,208,139	1.5%	-41.8%	-11.8%	5.6%
Triton School Corp	2,709,100	2,609,758	1,098,281	1,240,193	1,511,599	-3.7%	-57.9%	12.9%	21.9%
John Glenn School Corp	2,091,034	1,786,210	1,146,214	994,886	988,973	-14.6%	-35.8%	-13.2%	-0.6%
Union-North United School Corp	2,296,095	2,297,006	1,072,166	713,003	1,122,733	0.0%	-53.3%	-33.5%	57.5%
Argos Public Library	121,134	127,049	174,291	177,177	176,896	4.9%	37.2%	1.7%	-0.2%
Bourbon Public Library	98,185	82,997	101,601	103,471	103,424	-15.5%	22.4%	1.8%	0.0%
Bremen Public Library	507,713	491,517	512,259	528,544	386,298	-3.2%	4.2%	3.2%	-26.9%
Culver Public Library	422,368	445,077	449,043	462,562	466,273	5.4%	0.9%	3.0%	0.8%
Plymouth Public Library	873,609	912,992	950,072	985,795	1,011,727	4.5%	4.1%	3.8%	2.6%
Marshall County Solid Waste Mgt Dist	269,779	234,481	243,365	252,999	258,220	-13.1%	3.8%	4.0%	2.1%
Plymouth City Redevelopment Comm	0	0	0	0	0				
Bremen Town Redevelopment Comm	0	0	0	0	0				

# Marshall County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
50001	Bourbon Township	1.3478	--	--	--	--	--	--	1.3478
50002	Bourbon (Bourbon)	2.6921	--	--	--	--	--	--	2.6921
50005	German Township	1.2294	--	--	--	--	--	--	1.2294
50006	Bremen (German)	2.2946	--	--	--	--	--	--	2.2946
50007	Green Township	1.4864	--	--	--	--	--	--	1.4864
50008	Argos-Green	2.9041	--	--	--	--	--	--	2.9041
50009	North Township	1.1713	--	--	--	--	--	--	1.1713
50010	Lapaz (North)	1.6798	--	--	--	--	--	--	1.6798
50011	Polk Township	1.3249	--	--	--	--	--	--	1.3249
50012	Tippecanoe Township	1.2734	--	--	--	--	--	--	1.2734
50013	Union Township	0.8294	--	--	--	--	--	--	0.8294
50014	Culver (Union)	1.1383	--	--	--	--	--	--	1.1383
50015	Walnut Township	1.4859	--	--	--	--	--	--	1.4859
50016	Argos-Walnut	2.9180	--	--	--	--	--	--	2.9180
50017	West Township	1.4215	--	--	--	--	--	--	1.4215
50018	Center Township	1.4048	--	--	--	--	--	--	1.4048
50019	Plymouth (Center)	2.5969	--	--	--	--	--	--	2.5969
50020	Ply-West	2.5683	--	--	--	--	--	--	2.5683

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Marshall County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	245,925	553,863	0	21,708		821,495	37,992,162	2.2%
<i>TIF Total</i>	326	8,579	0	52		8,957	2,523,795	0.4%
<i>County Total</i>	246,250	562,442	0	21,760		830,452	40,515,957	2.0%
Marshall County	29,499	64,004	0	3,773		97,276	7,263,956	1.3%
Bourbon Township	114	425	0	36		575	97,347	0.6%
Center Township	1,855	4,633	0	192		6,679	381,733	1.7%
German Township	401	313	0	76		790	257,032	0.3%
Green Township	18	4	0	23		45	47,677	0.1%
North Township	41	0	0	354		395	143,450	0.3%
Polk Township	26	0	0	41		67	141,092	0.0%
Tippecanoe Township	0	0	0	5		5	68,229	0.0%
Union Township	0	0	0	40		40	235,512	0.0%
Walnut Township	150	520	0	27		697	69,467	1.0%
West Township	0	0	0	94		94	235,962	0.0%
Plymouth Civil City	69,411	180,751	0	3,305		253,467	5,270,378	4.8%
Argos Civil Town	9,858	31,064	0	505		41,427	623,448	6.6%
Bourbon Civil Town	8,227	36,429	0	787		45,443	645,642	7.0%
Bremen Civil Town	33,906	28,098	0	1,505		63,509	2,095,280	3.0%
Culver Civil Town	0	0	0	111		111	542,907	0.0%
Lapaz Civil Town	0	0	0	26		26	99,228	0.0%
Culver Community School Corp	0	0	0	407		407	2,317,702	0.0%
Argos Community School Corp	6,245	19,416	0	682		26,344	1,352,483	1.9%
Bremen Public School Corp	21,096	17,350	0	1,331		39,777	2,869,355	1.4%
Plymouth Community School	47,871	123,090	0	3,756		174,718	7,208,139	2.4%
Triton School Corp	4,928	21,230	0	687		26,846	1,511,599	1.8%
John Glenn School Corp	89	0	0	290		379	988,973	0.0%
Union-North United School Corp	275	0	0	2,579		2,855	1,122,733	0.3%
Argos Public Library	817	2,540	0	89		3,446	176,896	1.9%
Bourbon Public Library	489	2,106	0	65		2,660	103,424	2.6%
Bremen Public Library	2,840	2,336	0	179		5,355	386,298	1.4%
Culver Public Library	0	0	0	82		82	466,273	0.0%
Plymouth Public Library	6,719	17,277	0	527		24,523	1,011,727	2.4%
Marshall County Solid Waste Mgt Dist	1,049	2,275	0	134		3,458	258,220	1.3%
Plymouth City Redevelopment Comm	0	0	0	0		0	0	
Bremen Town Redevelopment Comm	0	0	0	0		0	0	
TIF - Bremen 006	94	2,085	0	52		2,231	656,141	0.3%
TIF - Argos-Green 008	0	90	0	0		90	23,655	0.4%
TIF - Union 013	0	0	0	0		0	318	0.0%
TIF - Culver 014	0	0	0	0		0	324,148	0.0%
TIF - Plymouth Ctr 019	232	6,404	0	0		6,636	1,231,331	0.5%
TIF - Plymouth West 020	0	0	0	0		0	288,202	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.